

# WORKFORCE OBSERVATIONS FOR SOUTHEAST WISCONSIN COUNTIES MAY 2002



## Unemployment Rates Come Down in April

The good news is that unemployment rates fell in all three of the Southeast Workforce Development Area (WDA) counties over the month, which is *very* good news in light of last months historically high figures for March. A decrease in unemployment rates to almost a half percentage point is expected between March and April. The monthly decreases were just about one percent point lower this time around and these large downward turns are explained by the unusually high rates of last month smoothing more normally in April. April is usually the first warmer month where the labor force activity increases and unemployment rates decline.

The **Racine MSA** not seasonally adjusted unemployment rate decreased by nine-tenths of a point to 7.3 percent. The drop was precipitated by an increase in the number of employed and a more significant decrease in the unemployed. This rate is seven-tenths of a point higher than April 2001.

860 total jobs were added over the month in Racine County with good news in manufacturing adding 180 jobs. All of these were in durable goods production, mainly in nonelectrical machinery. Construction (+350 jobs) and services (+390 jobs) were also large monthly contributors. FIRE and wholesale and retail trade each posted slight losses.

Racine's over the year look is getting better with 370 more jobs than in April 2001. This even takes into account a 490 manufacturing job deficit. Construction, which is still maintaining a healthy pace, added the most jobs followed by services and government. These three combined for over 1,000 new jobs annually for 1.3 percent growth, which is good considering the state has been running an annual job deficit for many months, but not all, of the last year.

The **Kenosha MSA** not seasonally adjusted unemployment rate dropped to 5.5 percent from March's 6.2 percent. This is the highest April rate since the 62 clip registered in 1992. Like most counties in Wisconsin, the rate is higher than it

was a year ago. It is nine-tenths of a percentage point higher than it was in April 2001.

Typically, April brings about an increase in the number of employed and a decrease in the unemployed, but for the second straight year, there have been decreases in employed and even dramatically fewer unemployed in April. This has reduced the labor force, thus reducing the unemployment rate.

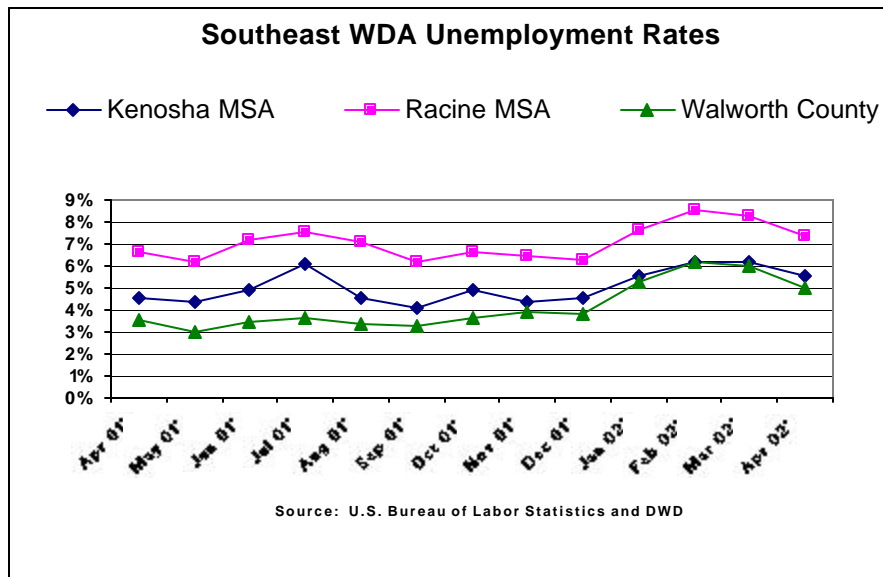
The industry data show 180 fewer total jobs over the month and, interestingly, the losses are all centered in service-producing industries rather than goods-producing. Retail trade was the only service oriented sector to gain monthly employment. Manufacturing and construction gained 60 and

200 jobs, respectively. This is continuing the overall hopeful trend in manufacturing and backs up shining bits of national news that orders for durable goods are higher as well as the overall manufacturing index.

Kenosha County was the only county in the region to show an annual loss of total jobs, down 730

net jobs. The only two industries to show an annual gain are retail trade (+40 jobs) and construction (+720 jobs). Manufacturing jobs have seen the greatest loss, down 1,050 jobs since last April. Looking at the data, it is debatable that April of 2001 was the point when the *steeper* reduction in manufacturing employment started. This was when manufacturing employment was in the 12,000+ range and soon fell to the present 11,000+ employed levels.

**Walworth County's** not seasonally adjusted unemployment rate is 5.0 percent in April. This is down one percent point from last months 15 year high of 6.0 percent. The monthly performance was extremely bright as the labor force show 1,200 more employed and 540 fewer unemployed. All months of the year considered, Walworth County is the most volatile via industry and labor force of the three counties and is especially amplified in the number of employed in the spring through early fall months. What is shaping up to be a winter-like spring, will soon blossom into the booming sum-



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mer months that Walworth County has seen for generations especially the closer one gets to Lake Geneva. The annual labor force comparison shows the largest annual increase as the present unemployment rate is 1.4 percent points higher than a year ago. The increase in those employed is higher than that of unemployed but the number of unemployed has increased proportionately faster, hence, the higher rate.

Industry data for Walworth around this time of year starts to focus on the services industry. Over 500 services jobs were filled over the month and more of the opportunities are on the way. Sectors such hospitality services and health services are expected to maintain a sharp increase throughout the coming months as well as retail trade, which has increased 220 jobs over the month. Walworth County, which has only 50-65 percent of the total jobs that Kenosha and Racine Counties have, increased by 1,180 jobs over the month; an increase both pro-

portionately faster and higher in sum total. Of interest, is the fact it is the only regional county to lose manufacturing employment over the month (-40 jobs). This was the only industry in Walworth to lose monthly employment

The annual industry scene helps view this huge monthly increase more smoothly. Compared to last April, Walworth County has 320 more total jobs. Manufacturing and wholesale trade decreased by 550 and 30 jobs, respectively. FIRE showed the largest annual growth (22 percent) adding 230 jobs and construction closely followed with 120 job growth or 5.5 percent growth from a year ago. Government employment has been strong as well adding 430 jobs.

<b>April 2002</b>	<b>Wisconsin</b>	<b>Kenosha County/MSA</b>	<b>Racine County/MSA</b>	<b>Walworth County</b>	<b>Southeast WDA</b>	<b>City of Kenosha</b>	<b>City of Racine</b>
<b>Civilian Labor Force*</b>	3,047,112	82,365	93,440	54,459	230,264	48,761	38,883
Persons Employed	2,873,581	77,815	86,584	51,745	216,144	45,502	34,606
Persons Unemployed	173,531	4,550	6,856	2,714	14,120	3,259	4,277
Unemployment Rate	5.7%	5.5%	7.3%	5.0%	6.1%	6.7%	11.0%
<b>Total jobs of all non-farm industries**</b>	2,811,636	54,034	80,439	41,488	175,961		
<b>Goods Producing Jobs</b>	683,127	14,292	24,642	10,859	49,793		
<b>Service Producing Jobs</b>	2,128,509	39,742	55,797	30,629	126,168		
Construction & Mining	119,671	2,769	3,412	1,944	8,125		
All Manufacturing	563,456	11,523	21,230	8,915	41,668		
Transportation, Communications & Public Utilities	131,272	2,075	2,482	1,667	6,224		
Wholesale Trade	136,833	2,427	3,110	1,483	7,020		
Retail Trade	497,388	11,027	14,171	7,650	32,848		
Finance, Insurance, and Real Estate	151,840	1,397	2,330	1,395	5,122		
Services	781,927	13,771	23,197	10,454	47,422		
All Government	429,249	9,045	10,507	7,980	27,532		
<b>Change from March 2002</b>							
<b>Civilian Labor Force*</b>	-4,180	-1,060	-410	670	-800	-670	-110
Persons Employed	21,690	-460	510	1,200	1,260	-270	200
Persons Unemployed	-25,870	-600	-920	-540	-2,050	-400	-310
Unemployment Rate	-0.8%	-0.7%	-0.9%	-1.1%	-0.9%	-0.7%	-0.8%
<b>Total jobs of all non-farm industries**</b>	35,940	-180	860	1,180	1,860		
<b>Goods Producing Jobs</b>	12,090	260	530	190	980		
<b>Service Producing Jobs</b>	23,850	-450	330	1,000	880		
Construction & Mining	10,770	200	350	230	780		
All Manufacturing	1,320	60	180	-40	190		
Transportation, Communications & Public Utilities (TCPU)	1,180	0	30	80	110		
Wholesale Trade	970	0	-60	40	-20		
Retail Trade	7,260	50	-30	220	240		
Finance, Insurance, and Real Estate (FIRE)	490	0	-20	10	-10		
Services	11,440	-370	390	510	530		
All Government	2,510	-140	30	140	30		
<b>Change from April 2001</b>							
<b>Civilian Labor Force*</b>	78,350	1,520	2,890	2,070	6,480	900	1,020
Persons Employed	47,040	670	2,010	1,240	3,920	390	800
Persons Unemployed	31,310	840	890	840	2,570	510	210
Unemployment Rate	0.9%	0.9%	0.7%	1.4%	1.0%	0.9%	0.3%
<b>Total jobs of all non-farm industries**</b>	-4,500	-730	370	320	-40		
<b>Goods Producing Jobs</b>	-25,780	-340	-390	-430	-1,160		
<b>Service Producing Jobs</b>	21,280	-390	760	750	1,120		
Construction & Mining	80	720	100	120	940		
All Manufacturing	-25,860	-1,050	-490	-550	-2,100		
Transportation, Communications & Public Utilities (TCPU)	-3,640	-80	40	20	-20		
Wholesale Trade	160	-160	-260	-30	-450		
Retail Trade	3,810	40	10	160	210		
Finance, Insurance, and Real Estate (FIRE)	3,340	-50	10	230	180		
Services	13,420	-120	510	-60	340		
All Government	4,190	-20	460	430	860		

\* Labor force figures are **not** seasonally adjusted and are commonly revised. Figures from "place of residence" survey from the Bureau of Labor Statistics' Local Area Unemployment Statistics program.

\*\*Figures based upon "place of employment" survey from the BLS, Non-Farm Wage and Salary estimates

Month and year ago change figures are rounded and may not sum to total

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